

THE PRESIDENT'S INTELLIGENCE REVIEW

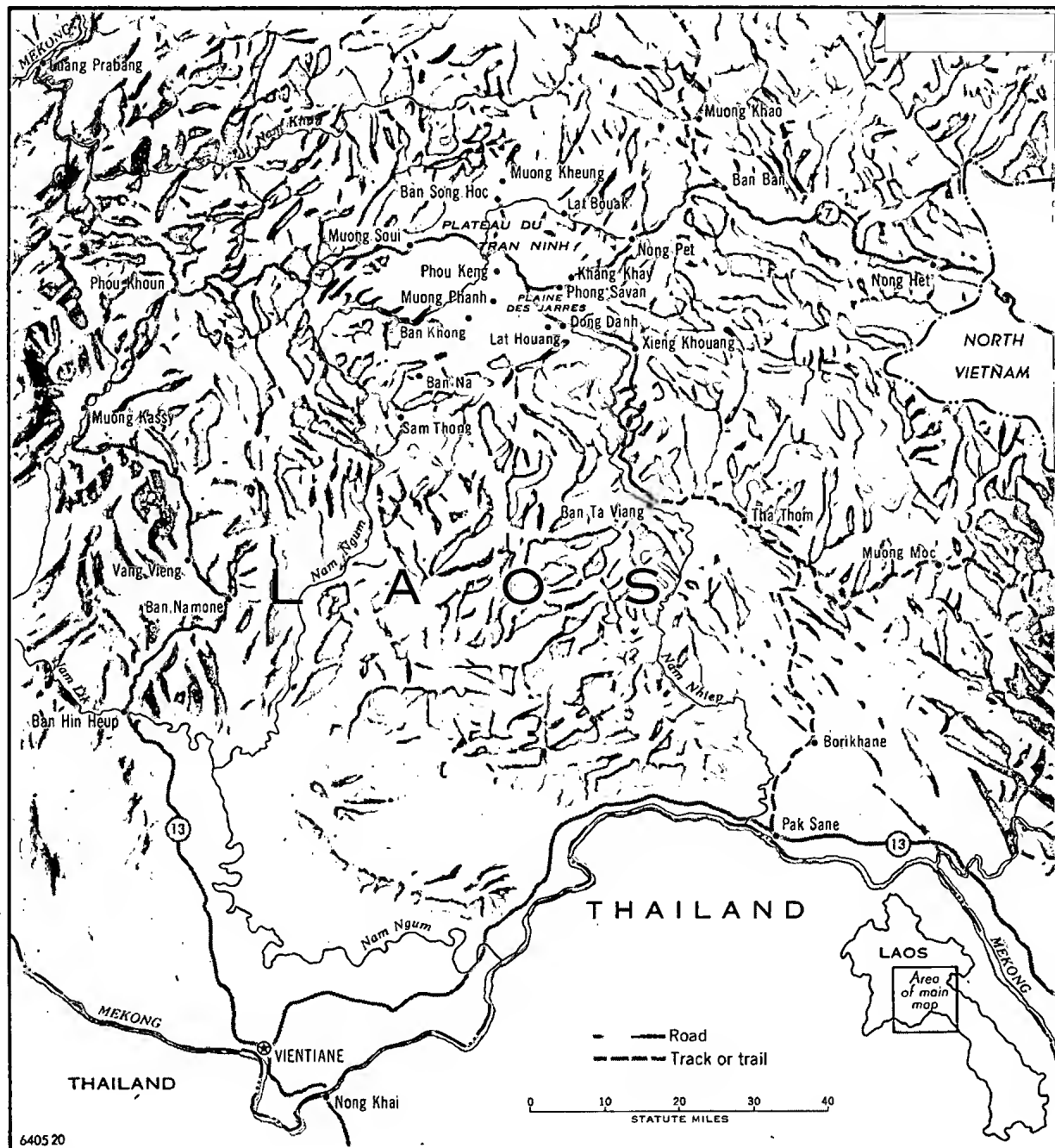
ISSUED BY THE
CENTRAL INTELLIGENCE AGENCY



23 - 26 MAY 1964

~~TOP SECRET~~

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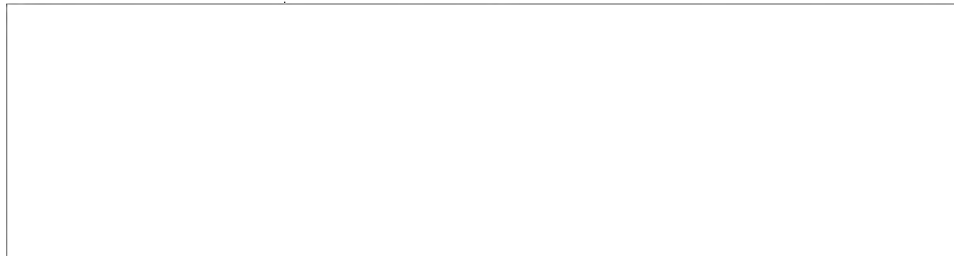
26 May 1964

1. Laos: The Communist attack in the Plaine des Jarres appears to have slowed at least temporarily and the neutralist defenders seem to be holding their ground a little better.



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In Vientiane, rightist voices are heard criticizing Souvanna for irresolute action. They want more dramatic changes in the government. Rumors of another coup are rampant.



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Peiping is stepping up the pressure for a conference on Southeast Asian problems. In a letter to the Geneva co-chairman on Tuesday, the Chinese proposed a meeting of foreign ministers from the 14 Geneva Conference nations which would "first" discuss Laos. Peiping would quickly try to enlarge any talks to cover Vietnam and Cambodia as well.

(Cont'd)

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Paris, Moscow, Delhi, and Phnom Penh have declared for a repeat of the 1962 conference in Geneva. Souvanna has accepted this idea, but only on condition that the Pathet Lao withdraw to their previous positions. In sum, the chances for agreement soon on any kind of meeting seem remote.

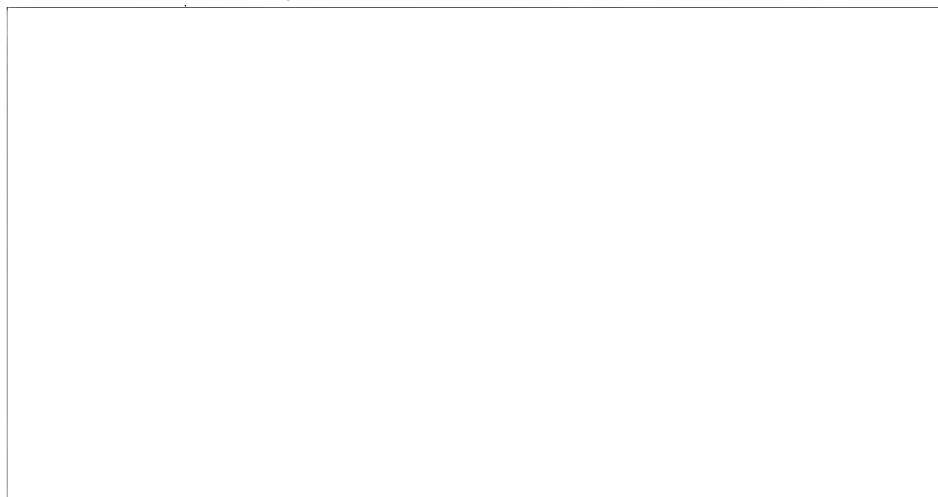
2. South Vietnam: Khanh's government now is bracing for trouble from Catholic groups who are about to start campaigning for equality and protection against the militant Buddhists.

Some Catholics think that demonstrations should be staged soon. The more extreme Buddhist elements, who have been threatening to demonstrate themselves, probably would not be averse to shedding a little blood for the cause if the Catholics take to the streets.

Khanh has tried to take a balanced line on religious issues, but many Catholics still fear retaliation for alleged sins of the Diem regime. They also are convinced that the Communists are behind the recent infighting between militant and moderate Buddhists.

There have been no major military developments in the past several days.

3. Cyprus: Beneath the surface quiet, an arms race is developing between the two Cypriot communities which UN commanders feel will make their job "well-nigh hopeless."



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Serious differences seem to be developing meanwhile between Makarios and the top Greek Cypriot military leaders over the conscription law soon to be enacted. The military feel it will legalize private "armies" such as those being raised by Makarios' leftist cronies.



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4. Congo: Leopoldville has lost what little control of the situation in Kivu Province it ever had. Adoula, whose troops refuse to fight, has asked the UN to send its Nigerian battalion in to save the situation.

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The Kivu dissidents are receiving help from across the border in Burundi and have picked up better weapons from fleeing Congo Army personnel. Although the UN units may restore some discipline in Leopoldville's forces, the rebels remain a threat to the provincial capital.

[redacted] the army's sad performance in Kivu may encourage pocket rebellions elsewhere.

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The problem is further complicated by the plotting against Leopoldville from across the river in Brazzaville, and vice versa.

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5. Cuba: The military alert has been relaxed somewhat.

High-altitude photography shows that some of the armored equipment which had been sent to reinforce positions along the coast is being returned to the military camps. One-fourth of the Cuban Navy's personnel has been released from "combat status."

Earlier in the month, three surface-to-air and one coastal defense missile sites were evacuated, presumably because they were vulnerable to raids from the sea. [redacted]

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6. South Korea: Ambassador Berger reports the government "rapidly moving toward internal and external crisis of major proportions."

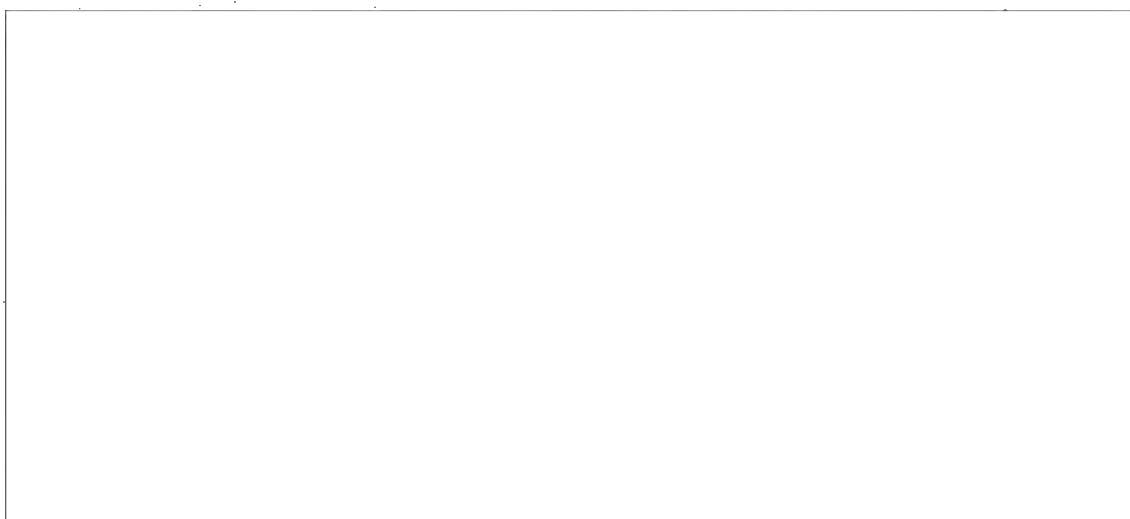
The latest round of instability was set off last week when paratroops tried to interfere with normal court proceedings against student demonstrators. The students are planning to continue their demonstrations in an effort to provoke government repression.

Chong Il-kwon's government is aware of the danger of letting the demonstrations go on and the risk that efforts to control them will arouse mass opposition. He says he will try to avoid imposing martial law, but warns there is a limit to the government's patience.

7. British Guiana: The spate of racial violence has subsided since the British governor declared a state of emergency on Friday. The arrival of additional British troops probably will help keep the lid on for a while. Jagan will continue to look for ways to block an election this year, however.

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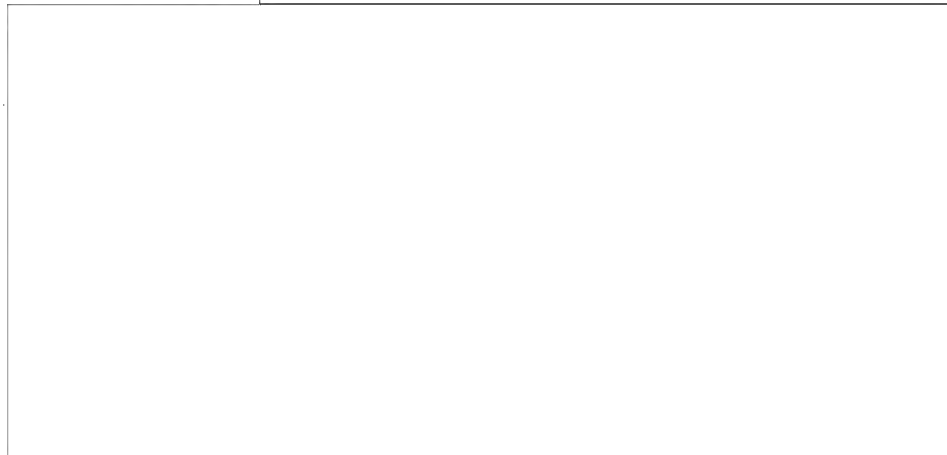
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USSR:



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11. UK-USSR: A leading British industrialist visiting Moscow says that the \$140 million worth of contracts with Britain's Imperial Chemical Industries recently announced will be followed by even larger ones with the rival synthetic fibers concern of Courtaulds.

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14. Spain-Cuba-US: Press reports (New York Times, 22 May) that Cubans are seeking Spanish help in improving relations with the US are correct says Spain's foreign minister. He told Ambassador Woodward that "a couple of important Spanish diplomats" had received such feelers. He was not specific except to stress that the initiative was entirely Cuban.

15. Libya: Rumor has it in Tripoli that Prime Minister Muntassir is on the way out. The King is unhappy because Muntassir has too often bowed to public pressure on the base issue. This does not mean, however, that a successor would be any less vulnerable to such pressure.

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